

Final Account Closing in Construction Project: The Use of Supply Chain Management to Reduce the Delays

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Abstract : Project management process starts from the planning stage up to the stage of completion (handover of buildings, preparation of the final accounts and the closing balance). This process is not easy to implement efficiently and effectively. The issue of delays in construction is a major problem for construction projects. These delays have been blamed mainly on inefficient traditional construction practices that continue to dominate the current industry. This is due to several factors, such as environments of construction technology, sophisticated design and customer demands that are constantly changing and influencing, either directly or indirectly, the practice of management. Among the identified influences are physical environment, social environment, information environment, political and moral atmosphere. Therefore, this paper is emerged to determine the problem and issues in the final account closing in construction projects, and it establishes the need to embrace Supply Chain Management (SCM) and then elucidates the need and strategies for the development of a delay reduction framework. At the same time, this paper provides effective measures to avoid or at least reduce the delay to the optimum level. Allowing problems in the closure declaration to occur without proper monitoring and control can leave negative impact on the cost and time of delivery to the end user. Besides, it can also affect the reputation or image of the agency/department that manages the implementation of a contract and consequently may reduce customer's trust towards the agencies/departments. It is anticipated that the findings reported in this paper could address root delay contributors and apply SCM tools for their mitigation for the better development of construction project.

Keywords : final account closing, construction project, construction delay, supply chain management

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